

**A SURVEY OF MATERIALS
IN INTRODUCTORY
ECONOMIC EDUCATION**

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by

GERARDO P. SICAT

ABSTRACT

This is a survey of materials used in Elementary Economics in Philippine education, mainly those in introductory economics in college. The materials used in secondary schools are also surveyed. Some books prepared for secondary schools have had some dual use in the elementary economics course in the college level. The materials cover only those textbooks available before May, 1983.

In general, the textbook situation in Economics has been unsatisfactory and therefore needs immense improvement. This conclusion may be true of other social sciences and it seems that Economics is at least in a relatively better shape insofar as textbooks are concerned.

The study makes an effort to explain, in the last part, the economics of the textbook market. Suggestions are made in the concluding remarks on how to improve the supply and quality of textbooks in general.

**PIDS
Monograph Series
No. 4**

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ECONOMIC EDUCATION**

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Philippine Institute for Development Studies

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1984
ISSN 0115-9194**

Printed in the Philippines by Kolortech

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FOREWORD

Through the years, the Philippine Institute for Development Studies (PIDS) has initiated the conduct of surveys of past research on various development issues in the Philippines. The objective of these surveys is to highlight and integrate the findings and recommendations of development research in the country and to assist in identifying future directions for policy-oriented research.

Recently, a similar undertaking was initiated by the Institute, this time focusing on a review of available materials in a field of study which is crucial to the understanding of many of the development concerns in the country today: elementary economics.

This monograph presents a survey of materials used in introductory economics at the secondary and collegiate levels. In many ways, the survey implicitly says something about the quality of economic education in the Philippines. While looking at the general textbook situation in economics, the author, Gerardo P. Sicat, also attempts to explain the economics of the textbook market and offers suggestions on how to improve the supply of "indigenously" written textbooks.

In publishing this survey, the Institute hopes to prompt the kind of response that led Sicat himself to write a textbook in introductory economics. Concluding that there is a dearth of good quality introductory textbooks in the Philippines today, Sicat came up with his own edition of *Economics*, the first comprehensive effort to provide Filipino students with an economic textbook that is timely, lucid and relevant to the Philippine economic setting. Such response is perhaps the best attestation of the usefulness of the undertaking which PIDS is pleased to present in this monograph.

FILOLOGO PANTE, JR.
President

PREFACE

This survey deals with materials available only up to May 1983, when I published a textbook for introductory collegiate economics. As a matter of fact, undertaking this research consciously contributed to my decision to write that book.

I began this research in the latter half of 1981 for the Philippine Institute for Development Studies (PIDS). After initially reviewing the available literature and thereby thinking of its draft in my mind, I became convinced that the field of Economics as a social science needed a comprehensive introductory textbook in this country. I therefore temporarily suspended this research report in favor of what seemed to be needed more by the country.

Having completed that book, I developed second thoughts about finishing this research report. But my commitment to submit a completed report cannot be shirked. Hence, this report finally. Having written a book which in the ultimate analysis has to be judged together with books dealing on the same subject, I am perhaps no longer competent to prepare this report. In any case, this has led to the sympathetic tone of the survey.

I am grateful to Feliciano Manipula of the National Book Store, for making available to me some textbook materials that are currently available in the market. Because of this, I was able to expand the original coverage of the report.

GERARDO P. SICAT
29 September 1983

This is a report of a survey of materials used in the teaching of elementary economics in the Philippines. The original objective of the study was to review the materials used for teaching at the collegiate level. However, the state of affairs both at the secondary and the collegiate levels are very similar. In fact, it is instructive to deal with both levels, for, as this report will reveal, some materials prepared for the introductory secondary level had been found useful as textbook materials at the introductory collegiate level.

This study is divided as follows: Part I deals with an overview of the textbook situation in Economics; Part II surveys the recent efforts to produce textbooks; Part III discusses the other textbooks that have been used for sometime in the market; Part IV deals with secondary school textbooks in economics; Part V is an attempt to explain the economics of textbook writing; and finally, the concluding remarks suggest ways to improve the quality and supply of textbooks.

PART I

INTRODUCTION TO THE TEXTBOOK SITUATION IN ECONOMICS

The content of instructional materials is very important in any educational system. The quality of textbooks determines in part the quality of education provided by the system. Economics is a subject which has important implications on the community's perception of the nation's development problems. The proper perception of problems alone represents a victory over economic ignorance.

A hierarchy of influence emanating from textbooks must also be recognized. When the leading textbook materials used in the leading institutions are not of a high enough level of quality — whether in terms of institutional, local or national relevance, or in terms of scientific content — then, it can be expected that the second and lower layers of textbooks serving the wider needs of the system are more substandard. Thus, it is imperative to pay attention to the quality of textbook materials used in introductory economic education. This statement applies as well to other fields of study.

The Philippine economic profession has been concerned with the quality of the teaching materials used in colleges, universities and secondary schools. Ever since its founding in 1961, the Philippine Economic Society has placed on its agenda the improvement of the quality of teaching materials in schools. There is a general dissatisfaction with the quality of the available educational materials in Economics. The concern also stems from the need to have materials of continuing relevance, for economic development issues are continually changing. Unfortunately, this objective has been slowly implemented. In general, economists are in great demand and few of them have the necessary time to concentrate on the writing of teaching materials for use in universities and schools.

Local and Foreign Economics Textbooks

As a rule, local textbooks of a good enough quality have been missing from the teaching scene for a long time. Thus, the over-dependence on textbooks written abroad. There have been varying responses to the need of textbooks in elementary economics.

There were those that relied mainly on textbooks written abroad. Samuelson's famous text led the way, but other textbooks, such as Lipsey and Steiner, had found some use. The main dissatisfaction with these books is that they were written for advanced economies, hence, the most common Philippine economic problems were often

neglected in these otherwise excellent textbooks.

Recognition of this necessity led local universities and authors into two directions. One was the preparation of textbooks that would be written with the Philippine economy in mind. But not having the time to write such a textbook, members of a department would band together to produce, in the quickest possible time, a book that would approximate this specification. A variation of this response would be the writing of textbooks that would more or less be adaptations of foreign textbooks, with appropriate changes in applications so that these would become relevant to the country's needs and problems. Along this line is a collection of textbooks which were disguised reproductions in foreign textbooks. There are discussions of locally relevant institutions, but there is little depth in the materials that have been substituted which are supposed to be locally relevant.

The second direction of this response is the "bridging role" provided by the communicators of economics to the lay public. This is the task, for instance, conceived by the founders of the Center for Research and Communication (CRC), where production of experimental textbook materials is a major activity undertaken by teams. Some of these efforts are discussed in this review.

Even then, where serious efforts at writing substitute textbooks were concerned, there was enough time only for writers to make an attempt at a piecemeal segment of general economics. This meant approaching the textbook subject matter either from microeconomics or from macroeconomics, sometimes even relegating important topics such as trade, public finance, and economic development.

Variations in Quality of Institutions

An important element in the response to the need for textbooks depended very much on the institutions concerned. In this regard, for instance, it cannot be denied that the University of the Philippines (U.P.), especially its School of Economics, which was founded in 1965 from the merger of the Department of Economics of the College of Business Administration and the then Institute of Economic Development and Research, is the leading school which would set the pace in choosing teaching materials for elementary courses.

The position of all other schools and universities is partly influenced by this leading role played by the U.P. The choice and preparation of teaching materials at the U.P. would influence the choices to some extent of a group of universities in the private sector. But there are some universities that would be more venture-

pared by their faculty. Lacking that, and accepting the need for indigenous materials in economics, they would accept the textbook materials that had been available for sometime in the country even if the updating of relevant facts and institutions were not done often enough.

General Remarks on the Textbook Situation

The standards set for textbook writing are under greater control by the education authorities at the secondary, more than the collegiate, level. At the secondary level, the outline for the teaching of economics has been set by standards passed in 1949. As will be shown later, the high school textbooks in economics and social studies have been written following an outline furnished by the education authorities.

At the collegiate level, standards are self-imposed. This is no doubt a result of the principle of academic freedom. There is therefore less regulation of the way economics (and for that matter, other subjects) should be taught and in what sequence of topics. Thus, books of different quality abound. But it is presumed that the profession has its proper checks and balances, so that books of bad quality will be weeded out, and the better ones retained. This also implies that some books are entering the market at a sufficient rate so that a review mechanism for such books is needed.

Schools which have a high quality of instruction may decide to rely on the well-known and tested textbooks available in the market. These happen to be mostly foreign textbooks because of their superior quality content. For this practice to be successful, however, it is assumed that the instructor must be able to incorporate appropriate institutional and relevant factual materials in his lectures. This is because the foreign writer can only cover subjects within his scope of knowledge however relevant or irrelevant to the Philippine situation. It takes an experienced teacher to dissociate oneself from whatever is irrelevant.

Even the best teachers can become captive to the usual pedagogical examples used in the foreign textbooks if they lack appropriate materials for reference.¹

1. One of this author's daughters told him of a visiting American student who sat in some economics subjects, and thought that much of the instruction in elementary economics courses contained examples lifted from the United States. And yet, here was a foreigner trying to understand the workings of the Philippine economy through the economics course!

In other schools, the use of locally authored textbooks in elementary economics has been encouraged. As this review will subsequently reveal, much of the textual material is inferior to the content of foreign textbooks. In general, the contents of foreign textbooks are grafted into these textbooks, but the use of local and institutional examples are still inadequate, if not irrelevant. Of what use then are locally authored textbooks if after adaptation of the foreign textbooks, the final result is a work of inferior quality? Obviously, some disservice is done in the name of education.

A review of the materials used in the teaching of elementary economics at the collegiate introductory level could possibly contribute to a general evaluation of the teaching of economics in the country. The survey of course does not intend to be comprehensive. However, it turns out that there are relatively few books used at this level and therefore it is hoped that the major textbook materials were covered. There are fewer locally authored textbooks for teaching economics at the intermediate level. Thus, foreign textbooks control the field. Some of the local substitutes are unable to compete with the foreign textbooks because the book reprinting law provided that all textbooks can be reprinted for local use under royalty arrangements approved by the government. Under this setup, all locally authored books have to compete on the basis of quality since in all likelihood, the foreign textbook would be available at a very inexpensive price. At the end of this essay, more comments on this point will be elaborated.

Thus, because of their limited number and stiff market competition, there is little else to review at the intermediate level of textbooks.

Some discussion of the secondary textbooks in economics is not only instructive but also related to the content of this review of teaching materials at the collegiate level.

PART II

RECENT EFFORTS TO PRODUCE ELEMENTARY ECONOMICS TEXTBOOKS

Recent efforts to improve the instructional content of elementary economics have come mainly from the University of the Philippines School of Economics and the Center for Research and Communication (CRC). There were also individual initiatives by some writers.

U.P. School of Economics

Over at the University of the Philippines School of Economics (UPSE), there are collaborative efforts among the professors to write textbooks. Every major topic is contained in a chapter written by a member of a Department with special interest on the subject. An example is the book *Economics and Development: An Introduction* by G.P. Sicat and Others. The book was designed as an experimental textbook. It was a "prepublication issue" published by the University of the Philippines Press. This was intended as a serious beginning for a new textbook for use in elementary economics. Published in 1965, the book continued to be used for several years. In 1983, there was a newsprint edition put out by the U.P. Press.

There were twelve (12) authors, eight (8) of whom were members of the U.P. faculty; of these authors, five (5) were fulltime members of the Department of Economics. In 1964, the Department was host to several visiting faculty members. As a result, three (3) of the contributors were from the Rockefeller Foundation program (Ruttan, Kapp, and Sirkin) and a fourth one (Ruprecht) was a Fulbright visitor. As a preliminary textbook, it was finished within one schoolyear, the product of several and simultaneous efforts by twelve (12) authors.

The book covered a wide range of topics essential for the introductory economics course at the U.P. This course is an introductory one-semester course designed largely for those who are required to take an introductory course. Of those enrolled, many are expected never to enroll again in an economics course. If they did, they would have to be grilled in the more rigorous theory course in microeconomics and macroeconomics offered separately as one-semester courses. These courses were essentially for those who would enroll in a professional bachelor's degree either in economics or business administration in the College of Business Administration.

The leading U.P. economists at the time were represented in this volume, supported by several well-known members of the U.P. faculty whose main discipline was outside economics but who were nonetheless holding appointments in the Department, like O.D. Corpuz (Political Science), Tito Mijares (Statistics), and Emilio Quintana (Agricultural Economics). The visiting professors were then mostly from the Rockefeller Foundation program, which had initiated financial support of the newly-installed Master of Arts program in Economics. The heavy load of visiting foreign professors was yet to come one year later when the Ford Foundation was to support the development economics training program for government administrators and planners.

This book² contained an introduction by G.P. Sicat; notes on Philippine economic history by O.D. Corpuz; some elements of economic theory by José Encarnación, Jr.; national income, measurement and concepts by Tito A. Mijares and G.P. Sicat; money, prices and the financial system by Richard W. Hooley; public finance by Agustin Kintanar, Jr.; international trade by Amado A. Castro; industrial growth, markets and business organizations by G.P. Sicat; the agricultural sector by Emilio U. Quintana; technological change, productivity, and economic growth by Vernon W. Ruttan; population change as a factor in the economic development of low-output countries by Theodore K. Ruprecht; social costs in economic development by K. William Kapp; and economic systems and planning by Gerard Sirkin.

One problem of a book written by a committee is very much like a drawing or design undertaken by a group of artists. The camel, as the common joke goes, is an animal made by a committee. Individual style, special emphasis, and judgement as to what one considers essential and relevant come into play. So the book, despite its acceptance at the U.P. and some other schools, could never really

2. One injustice in any compendium of contributions is that one author becomes the lead contributor and the book gets associated with him rather than the contributors. This book came to be called "Sicat and Others" principally because J. Encarnación insisted on that. Perhaps, this was partly because Sicat was responsible for seeing the final coordination of the work with the press, and also because he wrote, besides an introductory concepts chapter, another chapter co-authored with another. In reality, the moving spirit behind the scheduling, the pressures for producing the work within a limited period of time, and the initial conceptualization of the effort belonged to José Encarnación, Jr. who, as chairman of the Department of Economics, saw the need for a textbook in introductory economics authored not only necessarily by Filipino economists, but also containing a range of topics responsive to problems and institutions in the Philippines.

substitute for the integrated contents of the foreign-authored books. Indeed, as indicated by its tentative character, it was understood that a more definite version was forthcoming. After several years of use at the U.P. and a lack of follow-up for a more definite version, the principal authors having dispersed to various activities, the book ceased to be relevant. The U.P. School of Economics decided to update the teaching materials for elementary economics by still coming up with a new compendium designed to discuss the various economic problems of the Philippines.

The succeeding book *Philippine Economic Problems in Perspective* by José Encarnación, Jr. and Others, was the resulting product. This book dealt with specific problems of the Philippine economy written from a perspective and was designed to supplement any existing textbook, presumably Samuelson's textbook, which had become a standard text at the School. The undertaking of this book was contributed by the remaining senior authors of the earlier book who were active at the School, now augmented by a battery of new senior faculty members of the Department of Economics, which had since increased in number. This book served as a reading supplement to textbook discussion of economic theory. The weakness of this approach is the lack of unity of treatment and the difficulty of matching relevant theoretical discussion in an elementary textbook, which is primarily designed to deal with the problems of advanced countries. The advantage, on the other, was that one problem could be discussed more thoroughly, and, depending on the approach taken by the author, could be comprehensive or simply introductory. Indeed, this was what turned out, for as one can expect in a compendium, there would be a variety of approaches.

Professor José Encarnación, Jr., Dean of the U.P. School of Economics, explained this in the preface where he elaborated on the objectives and possible differences in viewpoints of the authors:

The focus of this volume is on current problem areas of the Philippine economy. The objective is to present to students of economics (and hopefully to the general reader as well) summary reviews of some of these problem areas so that one new to the field could get a convenient overview of the situation. The author (or authors) of each chapter — bearing on a particular problem area — was asked to survey the pertinent literature and the available data, trace movements of the major variables during the last ten years, discuss policy aspects, and list questions that call for answers to enable policy-makers to have more information for their policy decisions. Also, each author was asked to consider prospects over the next ten years if possible, given current and likely trends. In each case, the focus of attention is a contemporary problem area, whose size may have been enlarged

or narrowed by past policy decisions . . .

Different authors would probably write on the same subject somewhat differently. For they might use different models to explain the same phenomena, or they might appreciate the facts differently, or they might consider the probable effects of the same policy action to be different. Then, even when there is agreement on models, facts, and probable consequences, there might be disagreement on what the social values and objectives should be. Clearly, there is plenty of room for disagreement.

While other viewpoints could thus be entertained, the various contributors to this volume present their own reasoned views regarding their topics. Our aim here is simply to turn serious attention to problems confronting our society and economy, recognition of which should lead us part of the way towards their solution.

To some extent, the Encarnación *et al.* book, *Philippine Economic Problems in Perspective*, published by the Institute of Economic Development and Research of the U.P. School of Economics, could be interpreted as a second installment of the earlier Sicat *et al.* book, produced one decade earlier. The Encarnación volume did not supplant the material of the early book, which was intended as an introduction to economics. It was an independent book of readings on special topics of current concerns to the nation, analyzing specific topics in greater depth. It could therefore have been useful as a companion volume to the early textbook. But the "preliminary" textbook itself was getting outdated, with examples and statistics on the Philippine economy being only available until 1963.

In the Encarnación *et al.* volume, there is a detailed discussion of such topics as natural resources (Agustin Kintanar, Jr. and Telesforo W. Luna, Jr.), population (Mercedes B. Concepcion and Eliseo I. de Guzman, Jr.), the food problem (Mahar Mangahas and Raymunda Rimando), unemployment and underemployment (J. Encarnación, G.A. Tagunar, and R.L. Tidalgo), inflation (Romeo M. Bautista), income distribution (Edita Tan), foreign trade and the external debt (G. M. Jurado), industrialization and trade (G.M. Jurado), and regional cooperation (J. Encarnación).

Like the approach of the earlier Sicat *et al.* book, the senior members of the U.P. Economics faculty pooled their efforts, each relying on his special field of interest and expertise, and writing a chapter or a reading material, on a particular subject. The book was intended to be largely a supplementary text. Its flexibility is that it can supplement an introductory textbook written by foreigners. Teachers and students are expected to sieve off irrelevant materials from the foreign textbook and supplement those which are of local and institutional relevance. However, instructor and student

still had to go through a maze of details and information to get through what is relevant.

While this method can be seen optimistically as an effort to get the best of both worlds — using the most accepted foreign textbook and then supplementing it with Filipino materials — this is definitely inferior to having an acceptable locally written textbook and having the same set of readings as supplementary materials in the discussion of national economic issues. With the exception of a purely theoretical textbook, which can be written by any person and useful to any class in pure theory, a textbook in economics to be comprehensive and relevant to the experience of beginners has to be written with a particular locale or point of reference in mind. Otherwise, the examples become far-fetched or irrelevant. This is why any major country must have textbooks on specific social science subjects that are uniquely relevant to their own experience.

CRC Efforts

At the Center for Research and Communication (CRC), early undertakings to provide textbooks in economics were done by its two academic leaders, Jesus P. Estanislao and Bernardo M. Villegas. Initially, each of them wrote complementary books dealing with microeconomics and macroeconomics. They have also expanded on the understanding of industrial economics through succeeding books and discussion materials used for instruction of businessmen undertaking specialized economic studies on a semestral basis at the Center.

Two separate textbooks were published by the CRC in 1970 which were subsequently put out by Sinag-Tala Publishers, a subsidiary of the Center specializing in the publication of economics teaching materials. *Economics of a Nation*, by Jesus P. Estanislao, dealt with macroeconomics, and *Economics of a Consumer*, by Bernardo M. Villegas, was on microeconomics.

These two books, put together, would constitute the normal contents of an introductory text. The CRC textbooks represented attempts to relate Philippine economic situations and problems to the principles that are often taught at the elementary level. There were ample illustrations, most of which tended to show the effects of particular economic events or policies on actual situations.

The CRC texts emphasized institutional efforts in the field of economic education. This was a field in which the initial thrusts of the Center were directed. In particular, textbook writing was designed as a communication guide to businessmen. However, these

efforts also helped solve the lack of suitable elementary economics textbooks in schools.

Economics of a Nation contained many examples of policy tools applied to monetary and fiscal policies in connection with aggregate demand management. *Economics of a Consumer* dealt with microeconomics and brought in as much as possible some applications to business economics. These two books were largely experimental. Their informal, chatty, and sometimes, careless style, posed a problem in a didactic sense, but they represented a welcome, fresh wind in economic education.

Out of these initial efforts were produced textbooks designed for different audiences. Product differentiation by perceived market target in a major art, and in this case, Bernardo M. Villegas' textbooks formed the core of the variations. At least three textbooks have appeared which are to some extent offshoots of one another, all published by Sinag-Tala Publishers.

The first of these economic textbooks is the revised version of *Economics for the Consumer* by Bernardo Villegas. The second book, *Guide to Economics for Filipinos*, is designed for the high school audience. The third, which is an elementary textbook on macroeconomics is *Economics: An Introduction* by Bernardo M. Villegas and Victor A. Abola.

Economics for the Consumer became the vehicle for the introductory economics course with a microeconomic emphasis. It is to be noted that the title of this textbook metamorphosed from the original title "economics of a consumer". The objective of this book was to reach the sophomore economics students in college and provide a one semester introduction to the subject. This textbook seems to have reached a large audience, judging from the number of editions it has enjoyed. By 1977, it had its third edition, together with several impressions from that edition. The later revisions of this textbook have improved the content. However, as in the case of fairly confined textbook materials, the contents emphasize theories and approaches. The economic problems most dominant among developing countries like the Philippines, e.g., the need for agricultural development, upgrading the quality of labor, the importance of international trade, and so on fail to enter the exposition, either due to lack of space or due to the amount of attention that naturally is given to the meaning of concepts and their uses in practical economic analysis.

Villegas' *Guide* was published in 1972. A second revised edition was published in 1977. This book has been well-received in general

and is intended to fill a void in teaching economics with micro-economics for emphasis. *Guide* is an improved version of the *Economics of a Consumer*, and is more of an elementary book. It is slightly less technique oriented than the later edition of the *Economics for the Consumer*, which is understandable by virtue of the readership market, since *Guide* is intended for secondary schools. The coverage of *Guide* is slightly expanded and has succeeded in gaining some ground in its target market as shown by the steady growth in its reprinting.

Guide contains a short macroeconomic section (Part I, "The Economics of the Nation"), which discusses very briefly national income concepts and also monetary, fiscal and foreign trade issues. The rest of the book (Part VII, "Introduction to Economic Development"), covers such topics as the definition of development, labor, agrarian reform, regional development, taxation, industrialization, and the role of the state in development. The contents as stated here are from the second edition, which contained some improvement of textual and expository materials and an expansion of the development chapter contents. While apparently intended to be used in introductory courses in the secondary schools, this book has some collegiate market, at the most, elementary level. In this sense, it is in direct competition with the other two variations of the economics textbooks.

The CRC elementary textbooks introduced by Villegas represent a welcome and major improvement over the existing indigenous competition in the textbook market. They raised the quality of analytical contents of locally published economics textbooks. But one must add that the quality of the materials before these books appeared contained little analytical content and were dominated largely by descriptive and outmoded institutional materials.

Villegas writes well when he relates economics to Philippine situations and institutions. Yet the book could improve in its use of actual empirical material as compared to situational examples in a hypothetical setting, which he specializes in. Philippine local color helps provide content to local problems. As a result, it has interpretative content to which the Filipino can relate more comfortably. Villegas has good writing and communication skills.

But the book suffers grossly from some faults which a third edition can easily remedy by extirpation. Before the book even begins to discuss supply and demand and more serious economics, the first part of the book which is rather long relates the economic setting with institutions, history, and other issues. The author takes

up the orthodox theology of the Church in relation to economics. Sometimes, the approach seems defensive in nature. In any case, papal encyclicals are cited whenever the subject seemed to require it. Whether to chasten or to cheer the faithful, parts of the book sound like a tract in keeping the Catholic faith. A book in economics is better probably when it does not attempt to propagate a particular point of view even while it bears the author's stamp of personality.

Villegas insists on the need for a moral philosophy from which to view economics, and without which economics loses its relevance as a science of man. There is little point in debating this. Economists have been known to have their strong personal value judgments and ethical biases from time immemorial. But one can lose a sense of balance, as he does, when he discusses economic issues in the context of Catholic orthodox doctrine.

Take the case of the population debate. While this issue is recognizably a sensitive issue in a Catholic country, it is important to provide a clear exposition of the issues rather than let one's strong feelings take over. A textbook writer's task is to be tolerant of other views and should not fall into the trap of proselytizing like the common pamphleteer. That he had fallen to an unfortunate extreme position is shown by his discussion of "the need for a philosophy," in which he criticizes an extreme group — "some birth control propagandists" who propose "to control population through all forms of birth control". He then argues, for the sake of argument, that adopting other methods of population control, such as herding and brainwashing of children and Stalin's and Hitler's methods of extermination of unwanted populations could work more efficiently. Such technique of *reductio ad absurdum* argument surely does great disservice to the discussion of an important economic and social issue. Rather than appeal to common sense and reason, this extreme argument appeals to emotions and prejudices of whatever type.

Another example is the discussion of the role of the Church in the Middle Ages (pages 118-121) which seems out of proportion to the scant economic history of the market system being discussed. Such issues could best be settled in books and forums that do not deal with elementary economics. Because he gets deeply mired in these orthodox issues, Villegas writes statements which belong to sermons on Sunday, or to a book on Christian theology. For instance, take the following lines: "The doctrine of the Church can never be modified. No matter how evil and corrupt a few members

of the Church's hierarchy have been through these last twenty centuries, the teachings of Christ have remained pure and unmixed with error."

The educator in a field which is claimed to be a science must learn the limits of one's value judgement especially in an elementary text. It is tough enough trying to teach the elements of economic reasoning without complicating it with one's strong personal beliefs.

Economics: An Introduction, by Bernardo M. Villegas and Victor A. Abola, was published in 1973 under the authorship of Rolando Sto. Domingo, whom the authors of the later second and third revised editions credited as "mainly instrumental for the writing of the first edition of this book." Like Villegas' *Guide*, this represented an improved version for teaching elementary economics compared to the earlier CRC text by Estanislao, *Economics of a Nation*. Probably because of its coverage, it is another textbook which is getting adopted as a college elementary textbook.

Villegas' *Economics for a Consumer* and its variation, the Villegas-Abola book, were beginning to gain acceptance in some colleges and universities as the second best alternative to a foreign textbook, judging from the several reprintings that have been made. Indeed, based on materials available in the market at this point, there was little else that reputable schools trying to teach a respectable Elementary Economics course could turn to.

The Villegas-Abola book, as already noted, is an elementary textbook with a macroeconomic emphasis. After introducing the bare elements of economics and of supply and demand, it introduces national income analysis, in accordance with the usual Keynesian approach. The third part of the book deals with the monetary and fiscal aspects of national income analysis. The discussion of the balance of payments and the income determination economics with foreign trade follows. The last part of the book is an introduction to economic development. It is rudimentary and almost seems like an afterthought to a textbook which, according to its objective, is designed to "capture the latest developments in the discussion of macroeconomic principles and relating them to a developing country like ours."

It is useful to comment here on some directions that CRC has undertaken where the pay-off seems to be promising. Bernardo Villegas has written yet another book, *Business Economics for Filipino Managers*, which was designed as an introductory book on economic analysis for the business decision-maker. Initially published in 1972, this book was revised in 1977 and retitled *Man-*

agerial Economics.

This is a useful book. It summarizes, in an elementary fashion, the relevant areas where economics can be used to analyze various aspects of business decisions. Someone seeking a rigorous treatment of the subject matter will not find it here, for most of the problems and analyses are illustrative and very elementary. However, the introductory material is sufficient to convey the richness of the possibilities. Because of its lack of rigor, the reading references are useful jumping-off points for elaboration of the subject. Villegas excels in relating the Philippine situation to the subject at hand, and where the material is sufficiently a universal technique, he and his colleagues have managed to put in a slice of local color to make the material more interesting and, therefore, understandable.

Independent Individual Efforts

Two relatively obscure textbooks appeared in the last decade. They have apparently been used only in the institutions where the authors taught.

The first is Ricardo D. Ferrer's *An Introduction to Economics as a Social Science*, published by Malaya Books in 1970. This is a well-written introductory textbook. Of all the books prepared as an introductory textbook, Ferrer's had that essential unity of treatment and approach lacking in the other textbooks so far discussed. However, it suffers from two major faults which affect its teachability at the elementary level for the average Filipino student. The first problem is its theoretical approach, which makes enormous use of diagrammatic analysis and elaborations of these, so that the level of comprehension needed by the student rises commensurately. The lack of suitable examples and references to actual situations, including institutional details, handicapped the book. Ferrer's idea was to introduce economics as "a whole economic process rather than teach familiar economic terminologies and concepts which sooner or later are forgotten." The problem, however, is that when a student is faced with theoretical situations from the most primitive situation (Robinson Crusoe without Friday) to that in which there are many participants, including countries through foreign trade, the student who probably began to learn what economics has to say about the real world in his country would have found a very complicated subject having remote relevance. A theoretical approach to the introductory economics course could succeed only when the textbook or the instructor has given it some spice of rele-

vant real life situations, specially those closer to home and country. The level of the treatment of the subject matter is between the elementary text and the intermediate theory textbook. This therefore constitutes a problem for any book being used at the introductory level.

The second problem of the book is the discontinuity evident in the effort to plunge into the relevant domestic issues. From Chapters 1 to 15, the reader is given the normal theoretical underpinnings for the understanding of accepted economic theory, both micro- and macroeconomics. The subsequent chapters (up to Chapter 20) of the book then deal with the interpretation of economic development in the Philippines and in the world economy. The analysis is along the Marxist line developed by Paul M. Sweeney and Paul A. Baran. This Marxist interpretation of imperialism and economic development has gained currency in many countries, especially in Latin America and is in current vogue among non-economists who interpret political developments in the Philippines in terms of the influence of foreign "monopoly capital". Chapter 18 on imperialism builds this thesis. This is not the occasion to discuss the interpretation of economic history or of special models of economic development. Needless to say, this line of presentation has also become a major factor in its obscurity, because it is not in the mainstream.

The last chapter is an interesting thesis on the development of economic dualism in the Philippines. It surveys Philippine economic history and is full of references to the historical economic literature. This chapter clearly did not have a place in the book in that form because its treatment is advanced and the level of exposition is for the professional journal. It should have been a paper published in the *Philippine Economic Journal* rather than inside the pages of an introductory textbook so as to be able to exert the necessary influence and contribution that it deserves.

Ferrer's book is well-written, but its level of presentation and the discontinuity of the book are its main obstacles. It is also a book written outside of the mainstream. This book was apparently used at the Philippine College of Commerce (now the Polytechnic University of the Philippines) at one time. But Ferrer now teaches at the University of the Philippines.

G.S. Abad's book, *Economics of Philippine Business*, represents another attempt to write a textbook on introductory economics. Abad wrote this while he was connected with the Ateneo de Manila University's Department of Economics. This is a brief book, with an emphasis on microeconomics.

The book belongs to the genre which summarizes only accepted theory. The discussion is mostly theoretical and illustrative, but there are sparse illustrations of Philippine situations. However it is a more concise treatment of microeconomics, and compared with Ferrer's, less diagrammatically cumbersome. Its technical illustrations are sound and convey useful principles. However, the book fails to convey the essential elements for its justification. There are very few discussions of Philippine situations. The title is a misnomer. The content suffers from the failure to illustrate the relevance of particular Philippine situations, which is the strength of the textbooks written by Villegas.

Some Shortcomings of Existing Texts

Yet one must ask why in spite of these efforts to produce local textbooks, foreign textbooks continued to be used side by side with inferior teaching materials. This is particularly true for universities where there is a large enrollment of students, notably business students.

Thus, it seems there is a general dissatisfaction with the contents of the locally available substitutes. In the judgement of those teaching economics, the products available were not superior to the foreign textbooks on elementary economics. The local substitutes also lack comprehensiveness. Because of this, the local teacher failed to muster the necessary flexibility in approaching the subject matter. Another reason could be lack of clarity and, in the case of some examples, a writing style which borders on chattiness. In the case of other examples, there is a tendency to deal with the exposition of standard theory which fails to convey the appropriate relevance to the Philippine setting. It is not sufficient to be able to demonstrate that the situations being described applied to the Philippines. It is also necessary that the approach to the subject is easily conveyed and that the essentials of clarity of exposition and some great effort at objectivity be adhered to.

Of the materials produced at the U.P., the most serious criticism one could level was lack of unity of style, wide gaps in subject coverage, and finally, a great variety of approaches to the subject. What was intended as a unified text became to some extent a book of planned, sequential reading, in which the material covered varied in relative emphasis. This was an acknowledged shortcoming of any compendium. The U.P. efforts did not progress because of the lack of patience to revise materials and adjust to the requirements of pedagogical necessity. It is hampered most of all by the largeness of the number of contributors.

From experience with the Sicat and Others book in the teaching of Introductory Economics at U.P., it was found that the theory chapter, written by J. Encarnación, because of its brevity and highly packed contents, took a great deal of the time of the elementary economics course, while the other chapters did not measure up to the analytical example set although they were rich in institutional detail, relevance, and possible linkage with that chapter. There was an abrupt discontinuity of the instructional material, and this represented a setback for the professor.

The analytical logic is oftentimes found in the modern economics textbook, but the relevance of the emphasis as well as the institutional citations are out of touch with the country's realities, or even the realities of the developing world to which the Philippines belongs.

In resolving this twin problem, it became essential for the teacher to develop the inferior alternative of utilizing inadequate adaptations of foreign textbooks, or sometimes local books written from materials contained in foreign textbooks, with an attempt to substitute examples for local ones. Sometimes, the solution consisted of utilizing the foreign text, but relying on some book of readings for alteration of some teaching content with local examples.

The CRC textbooks, including the recent book, *Productivity: Path to Philippine Progress*, by Bernardo Villegas and Pastor Lorenzo, suffered from unevenness in quality of presentation, and a great tendency towards chattiness. In Villegas' own words in the second edition preface to his *Guide*, acknowledging this problem, their style at CRC tended to be "smart alecky" and "groovy", which distracted "the student's attention from the necessarily painful process of understanding complex economic relationships." This book, *Productivity*, demonstrates the carelessness of preparation and the need for stronger style editing. From the viewpoint of expository style, it contains narrative illustrations in the first person singular. In other parts, it assumes a third person, impersonal approach.

PART III

OTHER ELEMENTARY ECONOMICS TEXTBOOKS

An Older Philippine Textbook

Two textbooks written by Andres V. Castillo have influenced economic teaching for many years. These two books are really variations of the same subject, with different market targets in mind. The earlier textbook was *Principles of Economics*, intended for college. Its applied clone was *Philippine Economics* which was written for secondary schools.

Because of their similarities and their near substitutability in either levels of schooling, since one was not any more difficult than the other in terms of level of exposition, and because of their joint influence in economic education in the earlier postwar years, it is useful to discuss them together at this point.

Andres V. Castillo's *Principles of Economics* was a prewar textbook, with a foreword dated June 1941, thus it must have been released first as the guns of the Second World War were to be fired in the Pacific. The book was principally designed as a collegiate introductory textbook. The first paragraph of the preface of this book is worth quoting, because it describes the textbook situation during this time:

The teaching of the introductory course in principles of economics in colleges and universities in the Philippines has long been handicapped by the lack of a suitable textbook. There are excellent and valuable textbooks written by American authors, but these books are obviously intended for an American public, and are not therefore well suited to the needs of Filipino students. The illustrative material and discussion of topics not infrequently presuppose an acquaintance with the facts and practices of a highly industrialized economy, which are familiar enough to American students and readers, but are not within the limited experience of Filipino students with a more simple economic environment. My experience in teaching elementary economics for more than a decade in various local universities has made me realize the need for a textbook that would fit the background and experience of Filipino students. This work is an attempt to meet this need.

The chief aim of this work is to present the fundamental principles of economics to Filipino students and to those who are taking up a systematic study of the subject for the first time. I have used examples and illustrative data drawn chiefly from Philippine economic life and experience, so as to enable the uninitiated student and reader to follow the discussion with interest, which is often lacking when the contemporary scene is substituted by one they have read only in books . . .

Castillo's *Principles* is a textbook patterned after the prewar collegiate textbook in economics. The book's models could be gleaned from the list of textbook references at the end of each chapter. The dominant textbooks of the period, by John D. Black, Raymond T. Bye, Richard T. Ely, Henry Seager, Edwin R. Seligman, and Frank W. Taussig, were repeatedly cited. But Alfred Marshall, Frank H. Knight, J.M. Clark and Irving Fisher were often cited as further reading for special topics.

In the fashion of economics textbooks of those days, the treatment is mostly descriptive and reasoning relies more on the written word. The absence of current statistical data is most noticeable and the use of diagrammatic aids is minimal. The standard supply and demand diagrams are present, but that is basically all there is.

The content follows the fashion of discussing basic economic concepts, production, business organization, value, supply and demand, under competition and monopoly. Then, the book carries a discussion of money, banking and credit, which in the postwar editions carried improved discussion of the subject, especially on central banking as the author was a central banker, rising to the post of governor in the 1960s. The discussion of international trade and finance emphasizes trade practices. Business cycles are discussed, but their relevance to the Philippines is not mentioned. The Philippines suffered immensely from the drop of demand during the Great Depression, because of the contraction of Philippine exports. Income distribution occupies the rest of the book. It explains how the factors of production receive their incomes. There is a final discussion of consumption and its social control. Consumption as a determinant of income and production was relatively an unimportant concept.

Indeed, this book which represented the first major effort by a Filipino economist to write a textbook in economics is still too bound by the conventions of the profession. Although the effort to substitute local examples for understanding economic concepts proved that it could fit better than the standard American texts available at the time, the effort fell short of really giving life to actual economic problems of the country.

As stated earlier, *Philippine Economics* was written for a secondary textbook market. This book contained more institutional and descriptive material than *Principles*. Its enduring quality perhaps to the many teachers in elementary economics is due mainly to the lack of appropriately modern textbook materials. The book displays relative ease in its descriptive approach, is comprehensive in content

and relevant to Philippine institutions. Judged in present-day terms, though, it is quite deficient in analysis even in the area of the classical concerns of economics such as "supply and demand", which old textbooks before 1950 tried to emphasize. In the pre-modern textbook context, this meant more emphasis on micro economics.

But Castillo made up for an explanation of some of the immediate problems or concerns facing the economy, for instance, the discussion of labor, land problems, agricultural development, industrialization, mining, forestry, transportation and utilities, government regulation and business, the monetary system, banking and credit, domestic and international trade, cooperatives, public expenditure, and so on. In short, the book gave a broad overview of the areas of real concern to one who is confronted with the reality of economic problems in a country like the Philippines.

Castillo's *Philippine Economics* was revised in 1969. This book is still in current circulation. The updating of the book led to a presentation of developments on Philippine economy up to 1966. Discussion of the early postwar period was trimmed down. As an institutional textbook, however, it lacks depth in economic analysis, which is expected of the more modern economics textbooks. It is a useful book but as a textbook, there is much that can be improved. There are extensive references at the chapter's end, together with topics for review, of problems for discussion and topics for study and report. These are probably done to make up for lack of deeper economic analysis.

While the text of Castillo's *Principles* was slightly more advanced and was intended for college and *Philippine Economics* was written for high school, the materials contained on the Philippine economy in the latter book was useful even for the introductory collegiate course. In fact, the preparation of *Philippine Economics* was in accordance with the brief outline of the course of economics for the classes in secondary schools prepared by the Board of Textbooks. The book represents a better material among the existing genre of books written for the high school level. By today's standards, however, it falls short in two major areas: first, its coverage is now outdated. Therefore, it fails in conveying the relevance of present economic conditions in understanding economics. Second, the textbook standard should be raised to accommodate greater theoretical coverage that would help the student reason well, both in micro-and macroeconomics. Specifically, even supply and demand is not discussed adequately, so problems of cost determination cannot even advance. Macroeconomic concepts, such as national income, are

totally absent. So we cannot even proceed to discuss aggregate demand and supply. From this viewpoint, the content is "primitive."

But this does not detract from the usefulness of the book itself. Until the appearance of Villegas' books, Castillo's *Principles* and *Philippine Economics* were by far the better books in the field. This reveals much about the state of teaching materials in economics at the high school and collegiate levels.

The same type of concerns are contained in the traditional textbooks made available and utilized in high school. The problem of course with such books is the massiveness of the facts that are discussed. While there is a masterplan available, as suggested by an outline of course work covered in a directive of the Ministry of Education, the problem is lack of analysis and the presence of excessive factual reporting. In the end, the student comes out of an economics course filled with facts or information, normally absorbed perhaps by memory work or by rote, while failing to understand how these sets of information relate to one another. This is the danger that students in elementary economics will face: the problem of being exposed to a tangled web of information that cannot be connected in some logical sense. Obviously, the thread needed to put the facts together is analytical logic in basic or elementary economic theory.

Common Textbooks Used in Large Universities

In the large private universities, the commonly used textbooks tended to be locally written textbooks which were patterned after the old descriptive and institutional textbooks like the pre-modern economics textbooks. ("Pre-modern" applies largely to textbooks written before the Second World War.)

A dominant feature of this is the homogeneously poor quality of textbook material, which leaves much to be desired either in analytical content or in institutional relevance. The standard descriptive approach would enumerate topics and specific subjects, sometimes providing examples that refer to local situations. For instance, the discussion of demand and supply would refer to examples involving rice or any native product. After asking standard questions that could be found in any foreign text, the matter moves to the next subject. Under this set-up, the effort to put local examples does not measure up to the addition of analytical situations that would provide a better understanding of current economic problems facing the nation.

An example of this textbook material is the work that has consistently carried the authorship of Jose V. Gragasin with a changing

set of co-authors. One example is *Principles of Economics in the Philippine Setting*. Another is *Basic Economics for College: An Outline and Guide* which is co-authored with Zosimo Ella. One of these works was the subject of separate book reviews in two Philippine journals by José Encarnación, Jr. and Gerardo P. Sicat.

These books have had their metamorphoses in authorships as a result of the need to cover a wide variety of markets for textbooks. The authors work from an established position in their own institutional bailiwicks. In some sense, they exercise some element of monopoly control over the textbook to be utilized. This method of market coverage through co-authorship is a well-known method of co-opting a larger degree of market control. So long as the content of the textbooks are homogeneously of some deficient quality, this method of supplying textbook materials in Economics as well as in any other field would suffice in splitting the market for textbooks. The more authors there are and the more strategically located they are in the larger schools, the better for market coverage.

However, this has not prevented the flourishing of some professional textbook writers. One example of this is Gregorio S. Miranda, formerly associated with the University of the East, who has several textbooks in Economics, such as: *Essentials of Money, Credit and Banking; International Trade; Business and Government; and Economics for High School*. In addition, he has written some books in business education, such as: *Basic Marketing; Introduction to the Study of Business in the Philippines; Elements of Business Finance; and Commercial Banking*.

Miranda's *Introductory Economics*, judging from the selected bibliography of more than 30 entries of books, more than 90 per cent of which are textbooks published in the United States, depended to a large extent on the treatment of subject matter in the western textbook. In his preface, however, Miranda justified his book because most of the economics books were "written by American authors intended for use in American colleges and universities" so that they "do not find any relevance to the Philippine scene."

Miranda's book had references to domestic situations, institutions and also special problems. For instance, he includes two separate chapters on land reform and on taxation pursuant to the "directive of the Bureau of Private Education."

Even though such books have made an effort to relate the Philippine settings and conditions, the analytical content and the level

of instruction is deficient.

Books such as Miranda's and Gragasín's which are written for an introductory economics subject in college represents a retrogression from the level of Castillo's *Principles of Economics*. Indeed, Castillo's book contains more relevant materials other than those on Philippine economy. It seems that, for its many shortcomings largely as a result of the vintage in production, Castillo's book has good instructional content. Miranda's *Introductory Economics* was revised in 1983 and became a slimmer book, but there is little textual improvement.

Of a different genre is the textbook credited to Celedonio O. Resurrección, head of the Economics Department of the Far Eastern University. Published by Alemars-Phoenix Publishing House in 1975, the book acknowledges on the copyright, not on the author's page, that it is adapted from Werner Sichel and Peter Eckstein's *Basic Economic Concepts* by Rand-McNally in 1974. The copyright page further states the following: "This Philippine edition is an adaptation of the original American edition and is published for sale in the Republic of the Philippines only. It is an authorized edition in the Philippines and is made available in the public interest at a highly reduced price."

It is a common practice among publishers to buy from the author(s) the respective copyrights for textbooks so that these could be reproduced in other adaptations. Publishers would then turn around to other authors, sometimes in foreign countries so that local adaptations of the textbooks could be developed. However, in these cases, the original authors are never relegated to the copyright page. In fact, the original authors come out with their names appearing ahead of the adaptor, although the latter claims co-authorship.

For instance, there is an Australian edition of Paul A. Samuelson's famous textbook, in which two Australian economists expurgated the American textual materials, brought in the relevant Australian institutional and relevant factual details, and adapted the issues and coverage to the current Australian economic issues and problems. But that still could not preempt the book to the full credit of the Australian authors. Indeed, they were secondary authors to Samuelson.

What may have complicated these Philippine cases is the presence of the reprinting law. The law makes it clear that under certain conditions, books published abroad may be legally printed in the country, but this does not include replacement of authors or even change of content of the printed materials. In fact, the reprinting law does

not contemplate removing the full credit of creative enterprise, which is considered a basic right of authorship. So one may conclude in this case that the publishers and Resurreccion may have had a unique agreement with Sichel and Eckstein and Rand-McNally to have come out with a Philippine edition, in which the authors consented that their names are taken out of the title page of the adaptation. Or something may have been amiss in the execution of the Philippine edition.

Having said this, the book has made an effort to improve the local content which may be more applicable to Philippine conditions and examples. Examples are in pesos, supply and demand are for rice, and persons used in the examples become Mr. Santos. But in spite of these efforts to bring in local substitutes for subjects originally of American content, the material itself suffers from being lifted right out of a truly foreign context.

Another example of a textbook for elementary economics is that by Dellie A. Layaoen entitled *Basic Economic Analysis*. Privately printed and apparently intended for the author's classes at the University of the East in 1969, this book represents a more analytically inclined treatment of elementary economics. It suffers from lack of institutional and relevant examples, but is full of diagrammatic analysis covering micro- and macroeconomics. The book is concise and did not give pretense towards imparting any institutional and setting relevance. In this respect, it covers acceptable elementary economic theories often imparted in courses with an analytical bent. It is therefore as if the material is a set of theoretical lecture notes on techniques of analysis.

If only the Layaoen book or the previously discussed Abad book have been able to bring in some of the topics covered in such books as Castillo's, then the material of both would have been substantially improved and would have become more useful in analysis where others are deficient.

In conclusion, the materials made available for use in the teaching of elementary economics at the collegiate level have been largely deficient because of the preponderance of inadequate textual materials. In the private schools especially, the use of homogeneously poor quality textbook materials may have contributed to this. Lack of superior textbooks to help inspire teachers in their teaching is a major shortcoming.

PART IV

SECONDARY ECONOMICS TEXTBOOKS

A Pre-War Economics Textbook

During the first decades of the twentieth century, one problem of the educational system under the colonial rule of the United States was the provision of relevant teaching materials on the national situation including the economic set-up. There was an acute need for materials that fostered awareness of the local economy and of economics in order to understand the forces shaping the national economy.

An early textbook published in 1920 was *Economic Conditions in the Philippines* by Hugo H. Miller. It is useful to quote from the first edition foreword of this book by Frank R. White, Director of the Philippine Bureau of Education:

In accordance with the present purpose of the Bureau of Education to adapt its instruction as closely as possible to the life and needs of the people of the Philippines, a course has been introduced into the high-school curriculum embodying a half year of physical geography, a half year of commercial geography, and a full year's study of the economic conditions of the Philippines.

This book is to serve as the text in the subject of economic conditions in the Philippines in the fourth year of the secondary course. It is not a theoretical treatise on economics; it rather represents a study of everyday facts with which all young men have to do who are engaged in any useful occupation in this country. In the last year of his school work, instead of devoting himself to purely academic studies, the pupil assimilates a body of information which tends to lead him into intelligent and useful citizenship . . .

The preparation of this work has involved many months' work by a large number of well-qualified persons. The dearth of publications on the various subjects considered has necessitated the gathering of original information from all parts of the Islands, and on this task, approximately one hundred twenty American and Filipino teachers have been employed. Under date of March 1, 1912, an outline prepared by Mr. Hugo H. Miller was sent out by the Director of Education to these collaborators throughout the Islands . . .

The completed text is an original and valuable treatise on a vital subject, and as the facts here presented are digested by the many hundreds of pupils who will devote themselves to their study, the book may well prove to be one of the effective agencies in the material upbuilding of the Philippines.

The author, Hugo H. Miller, wrote in the introduction to the first edition:

This book is written for beginners in the study of economic conditions in the Philippines. Its object is to explain the economic position of the Filipinos in their own islands and in the world in general, and to state, analyze, and discuss economic conditions found here. Theoretic economics enter into this discussion only as subordinate to and explanatory of actual fact. It is believed that this study will give to students an idea of actual economic conditions existing in the Philippines and a comparative idea of those found in other countries, and at the same time will result in a knowledge of the natural laws upon which all economic discussion and reasoning must be based. . . .

In a revised edition published in 1920, the author wrote in the preface:

Changes in the course of study have necessitated the addition of more commercial geography and theory of economics to this text. The book now becomes an outline for the entire course in commercial geography and economics in the fourth year of high school.

Economic facts as they relate to conditions in the Philippines are presented rather fully in the text. The material in commercial geography and economic theory is especially emphasized in the suggestions from review and original work by references to original sources and to textbooks.

It is generally recognized that in an elementary high school course in economics, the maximum of facts and the minimum of theory is desirable. Nevertheless, theory is the course of least resistance for both teacher and pupils. Facts are hard to find, difficult to apply, and less susceptible to discussion than theory. The author hopes that the suggestions at the end of each chapter will be sufficient to point the ways, and that the teacher will use his own initiative in having them applied to local conditions. One original report by the pupil is, in the opinion of the author, far more profitable than the discussion of unapplied theory. A well-directed discussion of an economic condition of fundamental insular or local importance will result in a better grasp of the subject of economics than the elaboration of intangible theory. The theory should be applied, else the subject will soar far above the heads of the pupils, and the objects of the course will not have been attained.

These elaborate quotations are made to emphasize the philosophy in the writing of what may be the pre-war classic textbook in Philippine economics. The Miller book was used in the Philippines for many years during the American period. To many Filipinos who were educated during this period, this was an inevitable learning material. In fairness, there is no extant competing book that had come to this author's attention, probably because it was

a clear case of monopoly.³

The book's merit was that it was probably the only comprehensive elaboration of the Philippine economy during that period. Basically the book describes economic conditions in perspective. It is divided into two major parts. One, agriculture, which contains chapters each on the food crops, e.g., rice, corn and lesser food crops, and the major commercial export crops, e.g., abaca, copra, and coconut, sugar, tobacco and other export crops; and then separate chapters on the problems of the agricultural sector such as location, development, land tenure and labor. Two, the other part centers on the non-agricultural sectors and discusses fishing, forestry, animal husbandry, manufacturing, and exchange.

One of the merits of the book is its sectoral approach to the subject matter. This enabled a singular discussion of the historical background of the importance of each sector, the present problems, the institutional and economic settings which affect the sector, and the outlook for the industry. The statistical information on the sectors are of lasting importance. Each chapter is accompanied by an extensive list of topics for further discussion and independent work. A subsequent edition of the book is *Principles of Economics Applied to the Philippines* also by Miller which is a revised and updated version of *Economic Conditions* published in the 1930s.

It is useful to note that this period also induced publication of excellent textbooks in other fields like the biological sciences which were also used in the public educational system. For instance, in 1912, the Bureau of Science published the book by E.D. Merrill, *A Flora of Manila*, which served as a useful text in botany. In 1928, Roy E. Dickerson, in collaboration with several others specializing in entomology, botany, geography, ornithology, geology, and paleogeography, published the book *Distribution of Life in the Philippines* for the Bureau of Science. These books served as valuable teaching materials in science then.

Post-1946 Economics Textbooks

Miller's *Economic Conditions* became a model for succeeding textbooks. In the postwar period, the dominant textbooks used in high school economics were *Economics for Philippine High*

3. This author was surprised to learn that his sister who went to school one year ahead of him and was, like him, a postwar product of the educational system, still kept a copy of this book. She told him that she used this book in the early 1950s to learn about Philippine economics.

Schools by Celeste, Ella and Capino and *Philippine Economics* by Castillo (which was earlier discussed).

Written in 1949, the book by Castillo deservedly occupied a useful role in conveying the early postwar economic problems of the Philippines. It covered a wide range of topics, essentially tailored for the course content of secondary level economics, which was a full-year course in Philippine high schools.

In the words of Castillo, the content covered the following:

. . . The discussion of the price system, monopoly, government and business, money, banking and credit, the principles of international trade, cooperative enterprise, different economic systems and economic reconstruction and planning may be more extensive than what is called for (in the course outline), but parts of the chapters that treat of these topics may be omitted if time does not permit their inclusion in the course. I have tried to cover as wide a field as possible with a view of affording students sufficient background to understand current economic controversies and public discussion of economic questions and thus promote economic literacy, so that they may be better prepared to perform their duties and assume their responsibilities as citizens. Economic problems continually press for solution, and only a clear understanding of these problems and the underlying principles involved would enable our citizens to contribute intelligently and effectively to the making of a better economic society.

Andres Castillo's *Philippine Economics* was also used as a vehicle for teaching economics during the postwar years, thus rendering a major service to economic education. In presenting relevant institutional materials on the economy for teaching purposes, Castillo was able to preserve some interesting historical information useful for subsequent users for the study of Philippine economy.

Celeste, Capino and Ella's (referred to as CCE) *Economics for Philippine High Schools* was used for quite a long time as a textbook in elementary economics. This was the book used in classes in high school where Jaime Laya, Victor Macalincag, Loretta Makasiar and Gerardo P. Sicat were students. In addition, economics teachers then had a notebook on the various theories of economics so that learning consisted of memorizing certain obscure theories and relating them to whatever CCE wrote. The book is of postwar vintage. The first edition was written in 1946, and its copyright page lists 1948 and 1949 as copyright dates. Apparently, a revised edition was undertaken in 1951, while the last entry of the copyright is 1956. A revised edition, copyright for 1982, is also entered in later printings, although upon examination of the content for this latest edition, it seemed that the only entry altered was the copyright date. There were no statistical or material update beyond the mid-1950s.

The book being marketed is still based on the 1951 Course of Study in Economics for the Fourth Year and the Board of Text-books' Brief Outline of the Course in Economics for the Fourth Year Classes in Secondary Schools. The authors utilized the principles and techniques suggested in *Economic Education*, the eleventh year-book used by the National Council for Social Studies. The course of study was according to a "unit plan", and for purposes of the book, there were 16 units, which were stated in the preface of this book. These were:

- I. Fundamental institutions for our present economic order
- II. Philippine labor and its problems
- III. Systems of land tenure and problems of agriculture — their effects on the economic development of the Philippines
- IV. Our agricultural crops and industries — their production, status, and problems
- V. How our government promotes the settlement and cultivation of agricultural public lands
- VI. The need for the sound development of our genetic and extractive industries
- VII. Manufacturing — its development in the Philippines
- VIII. The role of cooperative enterprise in our economic life
- IX. Our manufacturing industries
- X. Our transportation and communication — their relation to the progress of our country
- XI. Development and problems of our domestic trade
- XII. Our foreign trade — its significance, growth and problems
- XIII. Money and our monetary system
- XIV. How our government administers and spends public money
- XV. Savings and investments — their values to the individual and the community
- XVI. Applying what we have learned

The CCE book has encyclopedic contents. But its great problem is precisely this mass of detailed information which is forced upon the reader. Hodgepodge is not easy to disentangle. It seemed as if learning economics was reading a Fookien Times Yearbook, except that as the years went by, the information became stale and irrelevant. Factual information could be cut into half with a great improvement in presentation.

The problem inherent in materials such as these is the impression that economics is a mass of information and that it is not a science with specific tools of analysis. Learning by rote and memory

is encouraged by the method of instruction since enumeration, definition and description are the main approaches of the book. The massing of statistical facts and information and the descriptive treatment of economic principles and institutions lead to little understanding of the science of economics. At this point, one is reminded about the Miller dictum, already cited, that the theory to be applied on the subject would soar above the heads of pupils.

It might be held that the teaching of economics at the secondary level involves not so much analysis but understanding of the operations and problems of the national economy and grasping basic elements of economic reasoning. This objective is more significant rather than the knowledge of the definition and classification of the components of costs. Even under the more limited objective, a greater selectivity of content is needed so that the student is guided not through a maze of puzzles but through channels that make him appreciate more effectively the problems and nature of Philippine economy. Even if, to some extent, the Celeste, Capino and Ella book had contributed to this process during the early postwar years until the 1950s, for the present, it has so much useless material. It is truly obsolete by its content.

An example of a recently-written textbook is *Philippine Economics* by Paz N. Pulido and Severina M. Espinelli. This is also written for secondary schools and emphasizes the more recent developments in the economy. This book however is in the same class as the CCE book. Its only advantage over CCE is that it covers information relevant to the more recent economic developments under the New Society. The material covered is quite deficient, its coverage quite limited. Even the title is ambiguous. The front cover calls it *The New Philippine Economics in the New Society*, the title-author page as *Philippine Economics*, and the preface refers to it as *Philippine Economic Development and Progress*. Whatever its title is, the book is a descriptive textbook. Apologetically, in the preface, the authors claim that it is "a comprehensive study of the economic activities of the Filipino people during different periods to the present New Society under Martial Law. The activities presented, narrated in simple, concise and easy-to-grasp language were in consideration of the student's limited background and experience."

Bernardo Villegas and Antonio Torralba wrote a textbook especially designed for high school economics. This is *Economics for Philippine High Schools: Development and Progress Through the Years*. This is a slim volume and may be called a mini-Guide in the sense of the other Villegas book and is a differentiated but

toned down version of the longer book. It is simple in language. Because it contains much more analytical material than the older books, it is better. It suffers from lack of examples and materials that would make a student more aware of the country's economic problems and challenges. In spite of this, Philippine economic issues are presented in a much more coherent fashion than other books.

Secondary Textbooks in Social Studies with Emphasis on Economics

With reforms in the educational sector in the 1970s came changes in the thrust and instructional content of social studies at the secondary level. "Social Studies" has been given some developmental emphasis with economics taking a more significant role than before. This is taken as an open suggestion to relate economics within a broader social studies context.

The proposed conceptual framework of the social studies course is divided into a basic course and a second one which is elective, containing geography and economics. For illustration, it is useful to examine the outline of course work suggested by the Ministry of Education in basic social studies courses:

1. Environment — "The economic development and progress of a country depends on how the people utilize and modify their physical environment."

1.1 Diverse environments

1.2 Environment enhancement and improvement

2. Resources — "The development of a country is affected by its economic resources and by the way these are utilized."

2.1 Scarcity

2.2 Utilization

3. Heritage — "A people's economic heritage is one of the most important bases of its economic life."

3.1 Material heritage

3.2 Non-material heritage

4. Social Organization — "Development and progress which are dependent on the social organization affect the role performance of and interaction among individuals and groups and the effectiveness of social control and vice-versa."

4.1. Role

4.2 Interaction

4.3 Social control

4.4 Institution

5. Interdependence — "Due to differences in individual assets,

countries tend to specialize and to be dependent on each other to meet their needs."

5.1 Absolute and comparative advantage

5.2 Specialization

5.3 Exchange

6. Change — "People who are open to change are more likely to progress economically and socially than those who are not."

6.1 Economic change

6.2 Social change

Books patterned after this course have become available for use in the corresponding social studies subjects. "Development and Progress" is the key title of the books available in this area.

The books in secondary Economics that were reviewed were well-suited to the subject matter because in the practice of the secondary schools, the textbooks are substitutable. So, Villegas' *Guide* is as adaptable to this area as Castillo's, Celeste-Capino-Ella's and the books under present consideration.

Four books discussed here briefly deal with this subject. These are: Dionisio Salazar and Lourdes C. Ungson, *Philippine Development and Progress* (Taurus Publications, 1974); Paz Pulido, Severina Espinelli, Anatolia Ramos, and Herminia Valdez, *Development and Progress: Socio-Economic Problems, Concepts and Inquiry* (Philippine Book Company, 1975); De la Cruz, Luz Samonte, Norma M. Abracia, Elena C. Cutiongco, Rebecca R. Ortega, and Nenita L. Eballa, *Economic Development and Progress* (Vibal Publishing House, 1980); and Jose R. Bilasano, Tomas D. Abelleca, and Felicitas T. Leogardo, *Socio-Economic Development and Progress* (Social Studies Publications, 1983).

These four books contain contrasting approaches in terms of content and subject matter.

Of the four, the Salazar-Ungson volume retains the flavor of the early text which is narrative in style, less crowded with details, and has a description of persons, situations, and general concepts. It outlines general concepts and presents details and personalities in a more sparing manner. It contains traditional contents normally associated with a social studies course and presents political, social, international and other noneconomic materials in a more balanced way in relation to economics.

The Pulido and others volume is the same in style as the Pulido-Espinelli book and follows the social studies outline. The Pulido-Espinelli book allowed the preparation of materials for economics and is crowded with topics, details and other materials reminiscent

of the Celeste-Capino-Ella book. There is a constant flow of details, illustrating the particular elements of social life and governmental work relevant to the study of particular topics. There are attempts to demonstrate particular concepts with concrete examples and case studies.

The De la Cruz and Others book represents a variation of the outline of study. It begins with chapters on consumer education, which is a concept not included in the course outline. The authors place high importance on the education of consumers since they argue that every one is a consumer. The subject has a lot of appeal especially in an urban-oriented society, where presumably most high school students reside. However, this approach provides a distraction to the main elements of social and economic progress which a book such as this initially aims to promote. Consumer education is probably better located in books pertaining to home economics or should have less prominence. The book then proceeds to follow the subject outline, utilizing examples and cases. The book does not seem to have a focal point, the contents being somewhat dispersed because of the amount of factual information it attempts to convey. The lack of essential unity may be a consequence of the need to provide as much material on various topics as possible. The case method may also fail to provide enough depth to the discussion of specific topics. On the other hand, it provides some relevant illustration of special points writers wish to emphasize. The book contains a lot more economic geography, both local and foreign, than the other books but this is done largely on an illustrative basis. Like others, this book quotes liberally from other works, including newspaper accounts.

The Bilasano-Abellera-Leogardo book is the latest of the books covered in this review. It was published only around the middle of 1983 and therefore represents the only exception to the coverage of this survey, which is books available before May, 1983. It stresses economics and development in a comparative context among developing countries. The book differs from other books in that it provides an international perspective to the problem of social studies. It provides a greater coverage of the problems of developing countries while centering discussions on Philippine problems. This is an advantage over the other social studies books. The students are able to get a wider grasp of the economic development problem in the context of world development. There are also topics that enter this book which are outside the outline provided by the guidelines for social studies teaching, but the additional materials contribute to

depth of coverage. It seems that the authors took care to assimilate a variety of material normally included in discussions of economic development. They even took advantage of the latest textbook materials available by May 1983. The trade-off in this treatment is the neglect of some of the more important elements of political development and Philippine economic history which are very relevant to an understanding of the social problems confronting Philippine economy.

The general level of these textbooks compare favorably with the early books written on the Philippine economy which are used as textbooks in the secondary schools. There are deficiencies such as the overcrowding of subject matter content with details, sometimes of persons, dates, statistical data and other descriptive situations. Content are tailored after the social studies outline as proposed, with the exception of the Bilasano, *et al.* book, which attempted innovations, emphasizing economic development from a comparative country viewpoint and the De la Cruz, *et al.* book, which innovated also in content emphasis.

To some extent, these books represent an improvement over the Celeste-Capino-Ella book. The Salazar-Ungson book is less crowded than the three other books. Perhaps the deficiency in analytical content as well as in the sparse treatment of economic reasoning is justified by the shift in content emphasis. But if economics is considered as the binding element in these social studies subjects, there is some deficiency in basic economic reasoning which is common to all these books. Moreover, if the objective of the course outline is to impart some interaction between economics and other social forces at work within Philippine society, then these books need a lot of improvement. Details need to be trimmed to discourage rote learning. The cramping of materials is partly due to the multiple authorships of the books, dictated partly by the economics of reaching as wide a market as possible.

Ultimately, the quality of style, the teachability of approach and the ease of communication are qualities that matter in a textbook. The outline and structure are important but it is the authors' style plus the substance of contents which makes textbooks useful or cumbersome. There are still a lot of books which are put together like a scrapbook and needs some editing.

These books provide a wide range of choices for textbooks in different schools. Their contents and approaches vary. It is hoped however that better textbooks for more effective teaching will be produced.

PART V

ECONOMICS OF TEXTBOOK WRITING

These observations pertain mainly to the textbook market in the collegiate level. Some of them may apply as well to the secondary level.

Why has there been a lack of quality textbooks in the market?

This question is not confined to Economics but to many subjects of study in college. Perhaps, the need for relevant textbooks in the Philippines is more true for the social sciences and less so for the other sciences. Even in the latter field, however, there is a need for appropriate textbook materials. As a result, action groups on textbook material production have been organized such as the science and mathematics instructional materials teaching improvement group at the University of the Philippines. In this case, easier and improved comprehension of scientific and mathematical concepts is achieved with use of illustrations.

In the social sciences, this need is acute. Social situations are the result of the interaction of cultural, historical, sociological and economic forces. The citizens of each country must be given the proper means of understanding these forces through educational materials that are easy to comprehend. Hence, the social sciences require a unique approach, even at least at the elementary level.

It can be argued that this is true for Economics which, in relation to the natural and physical sciences, is a "soft" or inexact science. Thus, this can be truer for the "softer" social science such as history, sociology, anthropology, political science, psychology, linguistics and other areas of study.

The textbook situation perhaps reflects the state of development of these social sciences, thus, the expectations upon social scientists at present to remedy the situation. It is quite well-known that the markets for the different social science professions differ quite markedly among, for instance, economists, historians, and political scientists. So, there are also a variety of reasons for the lack of appropriate textbooks in the teaching of social sciences.

There could be several reasons for the failure to produce more and better quality textbooks. Some of these are: (1) thinness of the professional market for textbook writing; (2) the relative underdevelopment of the profession; (3) perceived lack of market; (4) relative low prestige of textbook writing among the professionals; (5) underdevelopment of the textbook and publishing industry; and (6) competition offered by foreign textbooks which are available at inexpensive prices.

(1) Thinness of the professional market

There are not enough professionals who go into textbook writing because they are all busy teaching or doing work which occupies their time. Well-known scholars are absorbed in work which keeps them busy. When a scholar begins to show talent and promise, he is easily attracted into research projects that are related to the expansion of knowledge and not to projects which assist in the dissemination and analysis of existing knowledge, which is what textbook writing is all about.

Very often, talented scholars get easily recognized even before they reach scholarly maturity. Sometimes they are brought in to positions requiring administrative responsibilities, which often conflict with the pursuit of scholarship, including book writing.

There are of course relatively few professionals. This can be gleaned by looking at the membership of professional societies. So, the professional growth of promising scholars may be stunted as they are attracted into administrative activities. This is partly the result of the financial incentives, including the element of power in the academic totem pole, derived from administrative activities. Even higher financial rewards may be found in appointments or consultancies in the private sector and even in the government.

Another problem here is the low compensation for teaching. Since the postwar period, there has been a gradual deterioration of the salaries of those employed in academe. This not only reduced the available supply of scholars in the academic communities, but also caused an increase in teaching burdens and other loads of scholars, probably as a voluntary measure to gain more income. As a consequence, there has been a deterioration of standards of teaching and even research. This is a relatively recent phenomenon among the sciences. It is less true of Economics as a discipline than of other areas of the social sciences. The situation in the hard sciences, however, may not be any different. Thus, one of the effects of this is the neglect of scholarship in textbook writing.

(2) Underdevelopment of the professions

The situations reflected above may only be a symptom of the underdevelopment of the professions. Some of the social sciences do not have a large corps of professionals because of the deterioration of incentives open to potential scholars in relation to other economic opportunities. It may also be the result of failure to foresee the needs for scientific manpower and to plan its supply.

The relatively high supply of economists, business scholars, engineers, among other social scientists in the Philippines, may be partly due to market and income signals, but much of it had been due to sensible planning of the requirements and filling of the gaps. The fact that the U.P. School of Economics has a relatively large faculty endowed with a higher level of academic competence than some departments of social sciences at U.P. is due to a conscious effort at having a long-term faculty development program. This also stems from its access to financing of research and scholarships which is not a phenomenon common to the other social sciences. A large number of this faculty received foreign degrees initially, but of all departments in the University, it is the one which systematically provides a fulltime, high quality graduate program leading to the master's and doctoral degrees. So the School has the capacity to regenerate its own supply. In recent years, its Ph.D. graduates have begun to join its faculty and also provided a supply of new economists for the other sectors of the economy — government, business, and academe.

Not the same can be said of the other schools or departments even at the national level.

The social science societies, at the moment, also lack a large core of practitioners. In fact, as a reflection of their relative underdevelopment, very few of them have viable finances, and all exist under some form of subsidies. Their scientific journals are often dependent on subsidies since membership dues are hardly able to make up for even a major fraction of their sustenance. Fortunately, the Philippine Social Science Council has grown to unite the social science societies into a relatively cohesive group, undertaking joint programs among them and assuring that some institutional coordination among the societies exist.

It is still doubtful whether the economics profession has done a relatively better job than the other social sciences in the preparation of elementary textbooks. In this study, the record of economics as a profession has been reviewed in the context of textbooks. Similar studies in other disciplines may be conducted. It is hoped that these fields could be developed in succeeding years, with a flow of good textbook materials. However, based on a cursory evidence as seen in the bookshops (as part of this research), the economics profession has done a relatively better job. Yet, for that matter, even economics has not done as good a job as expected in the area.

(3) Lack of market for textbooks

One reason for the lack of effort at textbook writing is the

contention that a slim market exists for textbooks. This is only a contention and it has not been widely tested because few books have really appeared in the market. It seems like a vicious cycle, in this sense.

This perception might be true for very specialized textbooks, perhaps even in intermediate level courses. But this is surely not the case for the introductory course materials in such wide fields as the social sciences mentioned. In view of the large enrollments in universities in the Philippines, one cannot imagine how an introductory textbook would not find a reasonable market if the price is reasonable and the material is adequate and acceptable within the academic marketplace.

In fact, there are enough examples of widely used local textbooks in recent years. Teodoro Agoncillo's history textbooks have found wide acceptance. It seems that this is true of his textbooks written in English and those written in Pilipino. It seems that the recent forays of the Ateneo University Press in publishing textbooks led by the sociology books prepared by their faculty in the Institute of the Philippine Culture have done reasonably well.

The wide circulation of some of the economics books mentioned in this survey, despite their shortcomings, must have resulted in a reasonable improvement in the personal incomes of some of the authors.

In short, the size of the market is not the problem. Other factors, such as finding the time to write a book among scholars or those relating to the effective marketing of potential textbooks, could be the real problem.

(4) Low prestige of textbook writing

Scholars everywhere do not write textbooks because their immediate objectives upon finishing their Ph.D.s or M.A.s or other professional degrees is to produce work that would establish them as scholars in their fields. They prepare research publications which contribute immeasurably to knowledge in their field and textbook writing, if it is in their priorities, is at best only at a lower rung.

Thus, textbook writing continues to enjoy a low prestige. However, as already stated, in view of the heavy demand for scholars and the distractions of having to earn additional income in other areas in the Philippines, even the higher priority scholarly undertakings suffer. Oftentimes, these objectives are thwarted.

It should also be noted, though, that in many fields of study, textbook writing is an activity that may not be confined to the less

endowed scholars. A successful textbook in Economics, for instance, has been authored by the first American Nobel Prize winner, Paul Samuelson. Other distinguished economists who have been recognized Nobel prize winners such as W. Arthur Lewis, Milton Friedman and George Stigler, also wrote textbooks at the early stages of their careers.

(5) Underdevelopment of the textbook and publishing industry

The publishing industry may be fairly underdeveloped and long-term projects in the area of textbook writing may not be within their means. In countries where the publishing business is well established, the publishers encourage scholars to write textbooks because it is good business. The publishers develop the market, even advance sums to scholars so that they can be induced to prepare their activities much faster. Textbook writers, on the other hand, are able to supplement their incomes through royalty payments that come in long term periods. In short, a book becomes a capital asset, yielding periodic income for the writer.

In the Philippines, growth of the publishing industry has been slow. In especially limited areas like law where no foreign books can substitute because the material is almost completely localized, demand is inelastic and the publishing industry is profitable. Even then, the publishing industry, because of monopoly by certain groups, is plagued by exorbitant prices of textbooks.

The prices of books have been quite modest in other fields. The prices of textbooks are reasonable where the market is wide and there are substitutes. In fact, the local popularity of newsprint editions of books has immensely reduced the cost of textbooks for educators and students.

The selling margins available to publishers and booksellers may not encourage a profitable trade. In fact, a survey of the major bookstores in the country may reveal that none of the bookstores can really exist from selling books alone. The few that have survived have also remained quite small over the years like Solidaridad and P & P Bookstores. The big bookhouses such as National, Alemar's, and Goodwill have learned to thrive on a variety of other merchandise such as stationery, school supplies and related school matters. Within this context, the bookselling trade makes their major business.

Book publishing has suffered from a number of governmental restrictions, some of which are due to the heavy protection given to

the domestic manufacture of paper and ink which the publishers claim are of very low quality and sold at high prices. This has affected the publishing business adversely. There is also a high level of tariffs for other raw materials related to the book and printing trades.

Another complaint that has been aired within segments of the book publishing industry is the lack of profitable incentives for textbook publishing. The competition from foreign textbooks is quite severe, therefore cutting down the effective margins that would make the publishing ventures of local books commercially rewarding. One can surmise that the market for textbooks may be different from the market for other publications, which includes works for general circulation.

(6) Competition of inexpensive foreign textbooks

Prior to 1973, foreign textbooks were very expensive. With the effects of the peso depreciation, the cost of foreign textbooks, even those printed for the "Asian Editions" of standard textbooks of large U.S. publishing houses, became prohibitive. The government then decided to institute a book reprinting law which allowed for domestic reprinting of books that were exorbitantly priced. There was a mechanism for payment of royalty, which was allowed under a much reduced rate. In later revisions of this decree, a tighter supervision of royalty arrangements was allowed and this further encouraged special textbook reprinting arrangements undertaken at a special bilateral level between foreign publisher and domestic printer. The result of this new policy not only caused a reduction in the prices of textbooks in all fields of education — from the social sciences to the physical sciences, including medical books — but also a widening of the field of choices, beyond those earlier offered as Asian editions of well-known textbooks. As a result, the competition for locally written substitutes became tougher.

This decision was taken in the interest of widening the dissemination of knowledge. The availability of higher quality textbooks, even when they are written by foreigners, is beneficial for education as a whole. During the years when foreign textbooks were sold at high prices, there were few foreign books available in the local market. As a result, there were also few local textbooks being written. This survey has proven this in the field of Economics. The situation is relatively the same in other areas of education. So, the argument that local textbooks should be protected from inexpensive foreign textbooks may not be a significant factor in encouraging

textbook writing. Other factors are partly responsible for creating a conducive climate for textbook improvement.

It is also important that locally written textbooks thrive under a setting in which they compete with other textbooks, notably those written abroad. The matter of injecting material that is relevant to a particular country is always an advantage for the local scholars. It is, like transport costs in world trade, an important advantage to the local textbook writer and publisher. It is therefore useful to have the textbook market open to foreign competition if only to assure that education does not suffer in the process.

However, there is an argument in favor of state- or institution-supported textbook writing ventures. The point has been made that during the American occupation, the commonly used textbook in economics was really the result of government-supported textbook preparation. The magnitude of the support need not be as ambitious, but some element of institutional encouragement is needed, if individual scholars are to be induced to work long, concentrated hours preparing textbook materials. This is not the same as saying that particular individuals be appointed to do so.

PART VI

CONCLUDING REMARKS: SUGGESTIONS FOR IMPROVEMENT OF THE SUPPLY OF LOCAL TEXTBOOKS

These are suggestions for government, professional societies and other institutions to encourage textbook improvement programs.

There are some suggestions that should help in the improvement of the supply of locally-authored textbooks in the country.

A long-term solution to the problem is partly related to the improvement of the income incentives to the teaching professions. This can be done at the tertiary level of education, but a general improvement of educational standards can be attained also if the general income standards are improved at other levels. The presence of relatively more textbooks written by scholars in Malaysia, a much smaller country in terms of population in the ASEAN region, is partly due to the higher salary standards in the teaching professions which allow professionals to engage in the "luxury" of writing textbooks. This might also be related to other conditions such as the presence of more financially rewarding ventures in publishing that could be supported by the publishing industry. In part, this is an industry problem. For instance, the availability of inexpensive and higher quality bookpaper and imported printing ink may serve as an inducement to the publishing trade.

In terms of the more short- and medium-term responses to the problem, there are several possibilities. One measure could be an active encouragement of textbook writing by the social science societies supported by a joint effort from government and the private publishing sectors. The social science societies need funds and the private publishing houses look for long-term prospects of profitability. It is obvious that some effort should be initiated at the governmental level so that improved textbooks could be undertaken. One of the missions of the Fund for Assistance to Private Education (FAPE) is to assist the private schools. Perhaps FAPE should explore or help finance textbook prizes to be awarded through the social science societies.

One possibility for undertaking this is to set up some funds that would finance educational textbook writing material. In Mexico, there is a foundation designed to do just that. It is possible that a study of the Mexican experience along this end would yield useful lessons for the Philippines.

One way of stimulating interest in textbook writing is by offering rewards for their preparation. This may be a less expensive way than

pinpointing scholars and subsidizing them individually. The advantage of the reward mechanism is that one can adhere to deadlines more critically and it opens the field to the competitive arena which is hopefully not biased to particular results. It may be possible that books written by designated scholars may take too long in their preparation as it may not be possible to make them work fulltime on the project. Prizes might induce younger and less well-known scholars to venture into a field where instant fame is even possible.

Of course, institutions can encourage textbook writing within their own staffs. The examples cited in this survey — in particular, the Center for Research and Communication, the U.P. School of Economics and the Institute of Philippine Culture at the Ateneo University — are worth emulating. However, much more may have to be done by these institutions. The Institute (now College) of Public Administration at the University of the Philippines, a few years after its founding, was able to publish works relevant to education in public administration and government. This initial energy apparently dried out too soon after the efforts in the late 1950s, a phenomenon which also needs to be studied.

The social science societies should not directly sponsor book-writing particularly to specific persons. They can do a better job of promoting textbook writing by providing moral and financial support for initial efforts, perhaps by providing prizes for textbooks prepared or by providing partial funding for the publication of major efforts. The societies should, through their journals and memberships, be the ultimate judge of the textbook materials through reviews and endorsements, when these are called for. But the danger of direct underwriting of textbooks by persons is the embarrassment of having to reject unsuitable or inadequate material or even the appearance of superior work that has not received the society's initial indorsement.

Of course, the statements related to the improvement of incentives to the book publishing trade cannot be neglected. Part of this is the need to restructure industrial incentives so that the book publishers can acquire high quality bookpaper, printing ink, and other critical raw materials related to book publishing. Without an improvement in this area, even a conducive atmosphere to book-writing by scholars can meet with insufficient response from the publishing trade. This problem can be attended to within the context of overall industrial restructuring, which is an industrial policy question.

An important factor, however, to keep the quality of teaching

materials relatively high is to see to it that foreign textbooks be made cheaply available. Local scholars should be able to compete in the textbook trade with the preparation of relevant textbooks which are also of sufficiently high quality. Without appropriate competition, textbooks prepared locally can cause the standards of education to deteriorate further.

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